

EXHIBIT B

(Stipulation)

Mitchell J. Langberg, Esq., Nev. Bar. No. 10118
Laura F. Bielinski, Esq., Nevada Bar No. 10516
BROWNSTEIN HYATT FARBER SCHRECK, LLP
100 North City Parkway, Suite 1600
Las Vegas, Nevada 89106
mlangberg@bhfs.com
lbielinski@bhfs.com
Telephone: (702) 382-2101
Facsimile (702) 383-8135

and

MALHAR S. PAGAY (CA BAR NO. 189289) (*pro hac vice* pending)
PACHULSKI STANG ZIEHL & JONES LLP
10100 Santa Monica Blvd., 13th Floor
Los Angeles, California 90067
Telephone: 310/277-6910
Facsimile: 310/201-0760
Email: mpagay@pszjlaw.com
jfried@pszjlaw.com

Attorneys for Wynn Las Vegas, LLC d/b/a Wynn Las Vegas

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:

WYNN LAS VEGAS LLC d/b/a/ WYNN LAS
VEGAS, a Nevada limited liability company,

Plaintiff,

vs.

GGW DIRECT, LLC, a Delaware limited
liability company; GGW BRANDS, LLC, a
Delaware limited liability company; GGW
EVENTS, LLC, a Delaware limited liability
company; MANTRA FILMS, INC., a
suspended Oklahoma corporation; BLUE
HORSE TRADING, LLC, a California limited
liability company; PEPE BUS, LLC, an inactive
Montana limited liability company; SANDS
MEDIA, INC., a revoked Nevada domestic
corporation; JOSEPH R. FRANCIS, an
individual; DAVID R. HOUSTON, an
individual; and DAVID R. HOUSTON, LTD., a
Nevada professional corporation, doing business
as THE LAW OFFICE OF DAVID R.
HOUSTON,

Defendants.

Adversary Case No.: 13-01050-MKN

Chapter 11

**STIPULATION REGARDING
RESOLUTION OF REMOVED ACTION**

Hearing

Date: September 26, 2013
Time: 10:00 a.m.
Place: Courtroom 2
U.S. Bankruptcy Court
District of Nevada
Foley Federal Building
300 Las Vegas Boulevard South
Las Vegas, Nevada 89101

Wynn Las Vegas, LLC d/b/a Wynn Las Vegas (“Wynn Las Vegas”) and R. Todd Neilson, the chapter 11 trustee (the “Trustee”) appointed in the respective bankruptcy estates of GGW Direct, LLC (“GGW Direct”), GGW Events, LLC (“GGW Events”), GGW Magazine, LLC (“GGW Magazine”) and GGW Brands, LLC (“GGW Brands” and, together with GGW Direct, GGW Events, and GGW Magazine, the “Debtors”), through their counsel of record, hereby stipulate and agree as follows in accordance with the following facts and recitals:

RECITALS

A. On April 18, 2012, Wynn Las Vegas filed a complaint in the District Court of Clark County, Nevada against GGW Direct, GGW Events, GGW Brands, Mantra Films, Inc., Blue Horse Trading, LLC, Pepe Bus, LLC, Sands Media, Inc., Joseph R. Francis, David R. Houston, and David R. Houston, Ltd. thereby initiating the above-captioned action (the “Nevada State Court Action”), which has been removed to this Court. In the Nevada State Court Action, Wynn Las Vegas has asserted a right to \$1,846,578.28 being held in an IOLTA trust account (the “Trust Funds”) by Defendants David R. Houston and/or David R. Houston, Ltd. (collectively “Houston”).

B. The Court has jurisdiction over the Trust Funds pursuant to the *Stipulation and Proposed Order Regarding the Participation of David R. Houston, Esq. and David R. Houston, Ltd. in Further Proceedings*, filed June 29, 2012 (the “Houston Stipulation”) and the *Order Regarding the Participation of David R. Houston, Esq. and David R. Houston, Ltd. in Further Proceedings*, dated July 12, 2012 and entered July 16, 2012 (the “Houston Order”). Copies of the Houston Stipulation and the Houston Order are attached to this Stipulation as Exhibits A and B, respectively. In the Houston Stipulation, each of the parties to the Nevada State Court action stipulate that the “right to possession of the Trust Funds is an issue to be determined by this court in this action....” Houston Stipulation ¶ 1. The Houston Stipulation also provides, “Houston has no beneficial interest in the Trust Funds or its proceeds. Houston ... will comply with such order or judgments served upon Houston, whether or not Houston has been dismissed as a party.” *Id.* ¶ 2; *see also* Houston Order ¶ 2.

1 C. On February 27, 2013, each of the Debtors commenced voluntary chapter 11 cases
2 (the “California Bankruptcy Cases”) in the United States Bankruptcy Court for the Central District
3 of California (the “California Bankruptcy Court”).

4 D. On March 21, 2013, Wynn Las Vegas filed a motion to appoint a chapter 11 trustee
5 in each of the California Bankruptcy Cases (the “Trustee Motion”), which was granted by orders
6 entered on April 11, 2013 in each of the California Bankruptcy Cases. The United States Trustee
7 for the Central District of California appointed R. Todd Neilson as the chapter 11 trustee for each
8 of the Debtors in the California Bankruptcy Cases. In the California Bankruptcy Cases, Wynn Las
9 Vegas asserts various claims against the Debtors (the “Wynn Claims”). The Trustee disputes
10 those claims.

11 E. On March 26, 2013, the Debtors removed the Nevada State Court Action to the
12 United States Bankruptcy Court for the District of Nevada (the “Nevada Bankruptcy Court”).

13 F. On April 1, 2013, the Debtors filed a motion to transfer venue of the Nevada State
14 Court Action [Dkt. No. 4] (as amended, the “Venue Transfer Motions”) from the Nevada
15 Bankruptcy Court to the California Bankruptcy Court.

16 G. On April 10, 2013, Wynn Las Vegas filed its motion to remand the Nevada State
17 Court Action back to the Nevada State Court [Dkt. No. 11] (the “Remand Motion”).

18 H. A hearing to consider both the Venue Transfer Motion and the Remand Motion was
19 scheduled to take place on May 8, 2013, beginning at 9:30 a.m. Pursuant to a stipulation executed
20 by the Trustee and Wynn Las Vegas (collectively, the “Parties”) and approved by the Nevada
21 Bankruptcy Court on April 30, 2013 [Dkt. No. 19], that hearing was continued to July 11, 2013, at
22 10:00 a.m. and then continued again to September 26, 2013, at 10:00 a.m. [Dkt. No. 21].

23 I. The Parties have negotiated a consensual resolution to their disputes regarding the
24 Venue Transfer Motion and the Remand Motion, as well as the disputes in respect of the Wynn
25 Claims and the Trust Funds. Accordingly, as part of a global settlement of their differences that
26 has been approved by the California Bankruptcy Court, the Parties have agreed that that they will
27 stipulate to the resolution set forth below.

STIPULATION

NOW, THEREFORE, IT IS HEREBY STIPULATED as follows:

1. Houston shall immediately pay the Trustee \$800,000 of the Trust Funds. Houston shall immediately pay the balance of the Trust Funds to Wynn Las Vegas, LLC. The payment of the balance of the Trust Funds to Wynn Las Vegas, LLC shall reduce the amount of the judgment against Joseph R. Francis and in favor of Wynn Las Vegas, LLC on the judgment entered in *Wynn Las Vegas, LLC v. Francis*, Clark County, Nevada Case No. A566286.

2. Effective upon payment of the Trust Funds to the Trustee and Wynn Las Vegas in accordance with paragraph 1 of this Stipulation, Wynn Las Vegas dismisses, without prejudice, Defendants GGW Brands, GGW Direct, and GGW Events from the Nevada State Court Action, which dismissal shall be without prejudice to any of Wynn Las Vegas' claims in the California Bankruptcy Cases or its claims against the other defendants in the Nevada State Court Action. Counsel for Wynn Las Vegas shall prepare and lodge an order to that effect when payment to the Trustee and Wynn Las Vegas in accordance with paragraph 1 is complete.

3. Wynn Las Vegas will not attempt to add any of the Debtors or GGW Marketing, LLC as parties in the Nevada State Court Action unless the California Bankruptcy Cases are dismissed.

4. Effective upon payment of the Trust Funds to the Trustee and Wynn Las Vegas in accordance with paragraph 1 of this Stipulation, the Trustee, as successor to the Debtors, withdraws the Venue Transfer Motions. Counsel for Wynn Las Vegas shall prepare and lodge an order resolving the Venue Transfer Motions when payment to the Trustee and Wynn Las Vegas in accordance with paragraph 1 is complete.

5. Effective upon payment of the Trust Funds to the Trustee and Wynn Las Vegas in accordance with paragraph 1 of this Stipulation, the Trustee, as successor to the Debtors, consents to the relief sought in the Remand Motion. Counsel for Wynn Las Vegas shall prepare and lodge an order granting the Remand Motion when payment to the Trustee and Wynn Las Vegas in accordance with paragraph 1 is complete.

6. The hearings on the Remand Motion and the Venue Transfer Motions, currently scheduled to take place in the Court on September 26, 2013, at 10:00 a.m., should be taken off calendar and adjourned. All deadlines for opposition and reply papers associated therewith should be cancelled. In the event payment in accordance with paragraph 1 of this Stipulation is not completed by August 30, 2013 (unless the Parties agree to extend that date), the Parties will contact the Court to reschedule briefing and hearing on the Remand Motion and the Venue Transfer Motions.

Dated: August __, 2013

BROWNSTEIN HYATT FARBER SCHRECK, LLP

By: _____

Mitchell J. Langberg

and

Dated: August __, 2013

PACHULSKI STANG ZIEHL & JONES LLP

By: _____

Malhar S. Pagay

Attorneys for Wynn Las Vegas, LLC, d/b/a
Wynn Las Vegas

Dated: August __, 2013

KLEE, TUCHIN, BOGDANOFF & STERN, LLP

By: _____

Michael L. Tuchin

Counsel for R. Todd Neilson, Chapter 11
Trustee for GGW Direct, LLC, GGW Brands,
LLC, GGW Events, LLC, and GGW
Magazine, LLC